

It's A New World-We Need a New Farm Bill

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Dateline-1930's: In the grip of the Great Depression President Franklin Roosevelt announces the Agricultural support programs we know as the Farm Bill to stabilize prices and keep American families on the farm. The President guaranteed that the government would make up the difference if prices fell below a target price for a handful of staple commodities such as corn, wheat, soybeans, cotton, milk, tobacco and barley. [OK, tobacco is not a necessary staple but that's another story] Fruit, vegetable, poultry and beef growers were in their own.

The Farm Bill has been modified over the past seventy years but if the measurement has been a more stable Ag economy nationwide it has been enormously successful.

Dateline 2006 -The world has changed tremendously since the 1930's.

Then- over sixty percent of the American population lived and worked on farms.

Now- less than two percent of the American population live and work on farms.

Then-most of the food and fiber we grew was consumed here at home.

Now-85% of the cotton and almonds I grow are exported overseas.

Then-mere survival of millions of American farm families was at stake.

Now-we have enough breathing room as a society that we can address social issues such as the environment.

The world has changed in many other ways since the 1930's. In many ways our farm policy has not kept up with that change. Today the issue is not an economic depression though rural economies are some of the poorest areas in the nation. The issues driving the discussion as we prepare for the next Farm Bill are the environment and global trade. These issues were non-existent in the 1930's.

The issue should not be which crops to subsidies and how much. The question is-'**What is safe and sane Ag policy for the Twenty First Century?**'

The Environment- By its nature farming utilizes large quantities of natural resources such as water and land. Logically you cannot farm 9 million acres in California without having some sort of environmental impact. The current Farm Bill began the transition by providing billions of dollars to solve environmental challenges throughout rural America. Here in our Valley for example money is available to oil roads for dust control and to make up some of the transition costs as we convert from burning almond prunings to shredding them in the field.

This is an important change in our farm policy and should be continued.

Trade-is the 800 pound gorilla in farm policy these days. Every country wants to export food for hard currency. [Each country wants to restrict imports] U.S. cotton growers have lost a legal battle over price supports in the World Trade Organization. They have also been challenged by West African farmers who claim that U.S. price supports [that haven't changed in over twenty years] are artificially depressing the global price of cotton.

The pressure from the World Trade Organization will force changes in US and European Union farm policies. That is not necessarily a bad thing. But, there is a lot of money at stake and it will be controversial.

Again, the real question is-'**What is safe and sane Ag policy for the 21st Century?**'

Farming is a seasonal industry with huge potential swings in prices and production. We have seen I have seen lettuce prices triple because of rain. Last year's almond prices doubled after rains damaged the crop at bloom time.

Farming is also our one essential industry. How can we hope to build a healthy economy if our Ag sector is weak? More starkly, how do we expect to eat if our farmers are always on the ropes? How do we

expect to have healthy rural communities and reasonably paying jobs for farm workers if the economy is riding on a roller coaster? OK, that's more than one question. My point is that the Farm Bill is not about which farmers make how much from which subsidy. We must create a farm policy that helps provide some security when ag prices go up and down. We need a farm policy that addresses our trade and environmental issues.

Another Change in the Equation- I think one thing we need to look at as we formulate a new Farm Bill in 2007 is energy. \$3/ gallon gasoline last year caught everyone's attention . One thing we learned during California's energy crisis five years ago is that there are more people each using more energy every day. The economic growth in India and China are showing the same thing on a global scale.

Why don't we put America's farms to work solving the energy problem? In its simplest form farming is capturing solar energy through photosynthesis and turning it into food energy for you and I. Why don't we take that concept and use our farms to capture solar energy to meet some of the energy needs for our nation and the world? Rising energy costs have changed the equation. What wasn't economically feasible before. Former Secretary of State Bill Jones has been exploring this as he develops methanol production. Dr. Ellen Burnes, an economist that used to teach at Fresno State, has calculated that from just the culled fruit in our packing sheds we can generate 20 million gallons of ethanol per year. As noted, we already have a start with ethanol and biodiesel production but we have long way to go.

We will have a new Farm Bill in 2007. The question is- **What is safe and sane Ag policy for the 21st Century?**